

**HUNGRY HORSE COUNTY WATER AND SEWER DISTRICT
BOARD OF DIRECTORS' REGULAR MEETING
Thursday, October 21, 2021**

Location: Water District Office, 528 Colorado Boulevard, Hungry Horse, Montana

A. (00:24) Call to Order: Vice President Vivian Allen called the meeting to order at 6:03 p.m.

B. Those present:

Vice President Vivian Allen, Chief Financial Officer Jamie Foster, Director Brent Schmidt, and Director Richard Hardesty. Excused absence: President Doug Wagner. President Wagner had given his two Proxy votes to CFO Foster.

Staff: General Manager/Operator Ben Shafer. Secretary Rita Venable attended remotely via phone audio.

Public: Johanna Hardesty, James Dowling, Allen Dowling and Sarah Madeksiak

C. (03:40) Public Comment: James Dowling requested to have the name changed on his water bill from his name to his grandson's and his grandson's girlfriend's names as both would be residing at the property. The GMO would procure a *Landlord/Tenant* form from the Martin City Water District that may possibly be used for this situation. He would include the same form in his pre-meeting packet for Hungry Horse's meeting next month. The GMO would also inquire of Judy Rosenbaum to ask if it would be possible to send the water bill to James Dowling *'in care of'* Allen Dowling and Sarah Madeksiak, as is currently done with one other district customer. The GMO stated as long as a bill is sent to the responsible party, the property owner of record at the county plat room, the District is in compliance with its Rules and Regulations. GMO would contact James Dowling after the GMO received an answer from Judy Rosenbaum as to the proper method to use for a name change or addition of names to the billing. **(12:19)** James and Allen Dowling and Sarah Madeksiak left the meeting.

(12:27 – 53:37) Presentation of *Records Management* by Johanna Hardesty who had been the Records Manager for Flathead County for just over ten years. Mrs. Hardesty provided handouts listing the definitions of Records Management Terms and the Montana Local Government Retention Schedule for Public Works Departments, Schedule 29. Mrs. Hardesty reviewed the handouts' information with the meeting and answered questions, and is available for any further questions.

D. (53:38) Minutes: The Board reviewed the presented corrections and alterations to the September 16, 2021 Meeting Minutes.

(01:07:47) Director Schmidt moved to approve the Minutes from September 16, 2021 with additions and corrections. All in favor. VP Allen – aye, CFO Foster – aye, Director Schmidt – aye, Director Hardesty – No. The ayes had it three to one with Director Richard Hardesty voting no. Motion carried.

RESOLVED to approve the Minutes from September 16, 2021 with additions and corrections.

(01:10:01) VP Allen moved the approval of the October 22, 2020 Minutes as amended and corrected. All in favor. All ayes. Unanimous. Motion Carried.

RESOLVED the approval of the October 22, 2020 Minutes as amended and corrected.

Reports: Reports from monthly meetings are available from the District's office upon request.

E. (01:17:45) Reports -

1. Bookkeeper's Report – GMO Ben Shafer read from reports prepared by Judy Rosenbaum.

a. Financial Statements

Late fees have not been charged or accounts turned off in the absence of a bookkeeper and normal cadence and completion of some district financial business deadlines.

b. Bills

c. **(01:27:46)** Correspondence

(01:33:05) The continued problem of the District's employee payroll checks not being issued by the established pay dates, thus not being in compliance with law, was again raised. The Board was unaware of this practice continuing after the Board's having moved the monthly pay period dates to accommodate this very problem. The Board agreed the District's non-compliance problem must be rectified and decided the issue would be on next month's agenda for further discussion and resolve. It was noted that although GMO Shafer was to have scheduled a time for the Secretary [an experienced

bookkeeper] to come in to complete the pending District payroll in a timely manner, without notice to the Secretary or Board he hired the former bookkeeper, and the paychecks were late.

(01:51:40) In the event no bookkeeper has been hired prior to November's meeting, the agenda will include an item whether to continue to use the former bookkeeper at \$35/hour plus mileage or to utilize the Secretary's bookkeeping skills at cost savings to the district.

(01:53:12) Director Schmidt moved to pay the unpaid bills for October. All in favor. All ayes. Unanimous. Motion carried.

RESOLVED to pay the unpaid bills for October.

Directors signed the bill payment checks presented.

d. **(01:58:33)** Financial ability to begin paying down District loan balances (lump sum \$42,500.00) Tabled until the next meeting.

e. Loan Forgiveness &/or refinance discussion and task assignment – Tabled until the next meeting.

(01:58:54) CFO Foster moved to table the Loan Balance and Loan Forgiveness/Refinance discussions until the next meeting when the President is in attendance. All in favor. All ayes. Unanimous. Motion Carried.

RESOLVED to table the Loan Balance and Loan Forgiveness/Refinance discussions until the next meeting when the President is in attendance.

(01:59:26) Director Hardesty moved to table the item E.- 1.- e. on the agenda, loan forgiveness and or refinance discussion and task assignment, until the next meeting when the President will also be available for discussion. All in favor. Unanimous. All ayes. Motion carried.

RESOLVED to table the item E.- 1.- e. on the agenda, loan forgiveness and or refinance discussion and task assignment, until the next meeting when the President will also be available for discussion.

2. (02:00:00) Manager's Report – GMO Shafer made copies of his monthly report, and distributed the copies to the meeting members. GMO read his report to the meeting members for the period of September 16 to October 21, 2021.

a. **(02:02:15)** Telemetry Update

b. **(02:06:47)** Monthly Report.

(02:10:58) GMO Shafer reported the Clerk of the Martin City Water Department is resigning and Judy Rosenbaum had been offered the bookkeeping position with Martin City and that Judy mentioned she would possibly be interested in returning to full capacity with Hungry Horse Water District.

c. Report on new Multiple Public Employment disclosure Statement Form E-1 with addition of Martin City. - Refer to timestamp 02:33:24 below.

d. **(02:14:00)** Department of Environmental Quality – Copper and Lead testing discussion. GMO Shafer presented copper, lead and bacterial contaminations testing fact sheets and answered the Board's questions. The GMO clarified that the DEQ had not made a rule change in May as he had stated at the August meeting, but is rather still in the comment period with change not expected to be finalized until around the end of the year.

(02:22:29) Reports uploaded to the District's share drive are only to be accessed by Board Members and staff, not the public. The Secretary is responsible to upload the Minutes to the shared drive. GMO Shafer clarified he files and stores all reports and he is responsible to produce reports requested by the public. Johanna Hardesty advised that Board Member requests, made outside of a meeting, and public requests are legally required to be made in writing.

c. (02:33:24) Report on new Multiple Public Employment disclosure Statement Form E-1 with addition of Martin City. GMO Shafer completed the Disclosure Statement for all three of his public employment positions and uploaded the required form to the state today. GMO Shafer declined the Board's request for a copy of the E-1 Form and instructed the Board to request a copy from the Secretary of State or ask Martin City for a copy of it.

F. (02:36:27) Unfinished Business

1. Bylaws

a. Attorney Ben Hammer's advice on 1st Reading draft of Bylaws. Board members reviewed, discussed and incorporated the attorney's additions, corrections and suggested changes into the Bylaws.

b. 2nd Reading. Tabled

(02:52:21) CFO Foster moved that we table the second reading until the next meeting when President Wagner is here. All in favor. All ayes. Unanimous. Motion carried.

RESOLVED that we table the second reading until the next meeting when President Wagner is here.

(02:53:05) The GMO's list of the legal documents that were scanned into the District's files last month and originals that were given to President Wagner to store in the District's safety deposit box was reviewed. The USFS Special Use Permit dated 1948 is to be scanned and the original provided to the President to store in the District's safety deposit box as well.

(02:55:25) The Rules and Policy Standing Committee will begin work on the District's Policy and Procedure manual. The Committee will utilize documents offered by the Martin City Water President and documents and manuals of other possible outside sources will be used as a template to create the District's manual. VP Allen inquired if the Committee had a Chair and a Secretary. CFO Foster functions as the Committee's Secretary, while Directors Schmidt and Hardesty co-chair, and the GMO is on call to participate as needed.

2. (03:02:03) American Rescue Plan Act (ARPA) move forward and claim funds due to the District.

(03:05:16) Director Schmidt moved that we have Judy (Rosenbaum) proceed with the American Rescue Plan Act and whatever changes may need to be made to our paperwork for submitting for these funds. All in favor. All ayes. Unanimous. Motion carried.

RESOLVED that we have Judy (Rosenbaum) proceed with the American Rescue Plan Act and whatever changes may need to be made to our paperwork for submitting for these funds.

3. Certain Titles and Deeds copied and deposited in safety deposit box - refer to timestamp (02:53:05)

4. (03:06:07) Review Rate Structuring and/or Sprinkling Rate. (03:06:19) CFO Foster moved that we table item number four under Unfinished Business. (Rate Structuring and/or Sprinkling Rate). All in favor. All ayes. Unanimous. Motion carried.

RESOLVED that we table item number four under Unfinished Business. (Rate Structuring and/or Sprinkling Rate)

5. (03:06:35) Who is to contact Rocky Hoerner about Water District Seal proposals? GMO Shafer had contacted Rocky Hoerner and Mr. Hoerner would be providing proposed sketches for the Board's consideration.

6. (03:09:22) Mileage reimbursement discussion for Employee Policy decision. (03:10:44) Director Schmidt moved to table line item six under Unfinished Business (Mileage reimbursement discussion for Employee Policy decision). All in favor. All ayes. Unanimous. Motion carried.

RESOLVED to table line item six under Unfinished Business (Mileage reimbursement discussion for Employee Policy decision).

7. (03:11:08) Motion to accept or deny private individual email accounts – Whereas email accounts are available from providers at no charge, CFO Foster moved that the District deny any claim for reimbursement to any Board Member for their private email account(s). CFO Foster – aye, Director Schmidt – aye, Director Hardesty – aye, President Wagner – aye by Proxy, VP Allen – abstained due to possible conflict of interest. The votes were four ayes and one abstention. Motion carried.

RESOLVED the District deny any claim for reimbursement to any Board Member for their private email account(s).

8. Motion to determine copy reimbursement rate and guidelines – For the record, VP Allen pointed out that her copying is for the benefit of water business, which benefits the community, and she was happy to abide by the Board's decision. **(03:19:25)** Whereas copies of District related documents are available upon request at the District Office and copies can be purchased at the UPS copy store at four cents a copy, CFO Foster moved that the District reimburse any Board Member's approved request for copy costs obtained elsewhere at an amount not more than five cents per copy. CFO Foster – aye, Director Schmidt – aye, Director Hardesty – aye, President Wagner – aye by Proxy, VP Allen – abstained due to possible conflict of interest. The votes were four ayes and one abstention. Motion carried.

RESOLVED the District reimburse any Board Member's approved request for copy costs obtained elsewhere at an amount not more than five cents per copy.

The Board was holding since August a reimbursement check for Vice President Allen's board business expenses: water business email account (\$2/month June 2020 through July 2021), print and photo copies (June and July) and mileage (County Commissioner's meetings in June and July on behalf of the Board requesting ARPA funding grants), in the amount of \$111.02.

(03:22:35) CFO Foster moved that we give (Vice) President Allen the check that had been on hold for email, copies and mileage (reimbursement) for one hundred eleven (dollars and) two (cents) to Vivian Allen. CFO Foster – aye, Director Schmidt – aye, Director Hardesty – aye, VP Allen – abstained due to possible conflict of interest. The votes were three ayes and one abstention. Motion carried.

RESOLVED that we give (Vice) President Allen the check that had been on hold for email, copies and mileage (reimbursement) for one hundred eleven (dollars and) two (cents) to Vivian Allen.

9. (03:24:12) Task Register – Staff members were asked to update their task registers with task completion dates and/or progress status. The Secretary will sort the list of uncompleted tasks and email to each director or staff member accordingly for addition of dates and other pertinent information. Tasks assigned to the Board (as a whole) are to be updated by President Wagner and VP Allen. Per the Board's resolution in May, resolutions are to be reviewed annually.

G. New Business

1. (03:26:10) Bookkeeper/Secretary Position and Compensation Further Discussion – The GMO requested the Board's clarifications and help with the process of his interviewing applicants for the bookkeeping position. **(03:41:30)** Director Hardesty moved that we strike that word Secretary from the job description that we're looking for and make it simply Bookkeeper in the July resolution. All in favor. All ayes. Unanimous. Motion carried.

RESOLVED that we strike that word Secretary from the job description we're looking for and make it simply Bookkeeper in the July resolution.

2. (03:41:55) Discussion/approval of Backup Operator Compensation – The Board is responsible, by Montana Code, to set compensation for employees. In February 2020, the Board, lacking quorum, authorized and set the Backup Operator's compensation at fifteen dollars an hour and twenty-five dollars per diem for days on call. The Backup Operator is being paid for mileage to and on the job and a portion of his personal phone, which have not been authorized by the board, as per Montana Code. The board needs to discuss and properly approve all compensations. A standard policy would need to be set for compensation. The Board felt the President should be present for this discussion.

(03:51:53) CFO Foster moved that we move item number two "G", discussion and approval of Backup Operator compensation, to the next meeting. All in favor. All ayes. Unanimous. Motion carried.

RESOLVED that we move item number two "G", discussion and approval of Backup Operator compensation, to the next meeting.

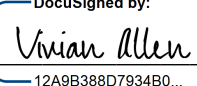
(03:52:18) The compensation rate to be offered to applicants for the bookkeeping position was discussed.

H. Adjournment at 10:03 pm.

(03:59:22) Director Schmidt moved to adjourn. All in favor. All ayes. Unanimous. Motion carried.

RESOLVED to adjourn.

Approved by:

Vice President:  Date: 11/22/2021 | 11:52 AM PST
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Respectfully submitted by:

Secretary:  Date: 11/23/2021 | 8:33 AM PST
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